

Adding new assessments runs counter to containing health care costs and keeping health care spending within the Commonwealth's cost growth benchmark. Such assessments have an especially severe impact on Medicaid managed care organizations (MCOs) that derive revenue from capitated contracts with MassHealth. Additional assessments would further exacerbate an unfavorable earning situation for these plans and only shift costs to consumers and employers, rather than addressing the underlying problem of increasing pharmaceutical costs.

If supplying schools with epinephrine is a priority for the Commonwealth, we recommend the state explore successful approaches previously undertaken. For example, Massachusetts established a naloxone bulk purchasing program for municipalities funded through legislative appropriations. This program has significantly reduced the cost of lifesaving naloxone for first responders. Municipalities that participate in this program can save over \$20 per dose if they purchase through this program.

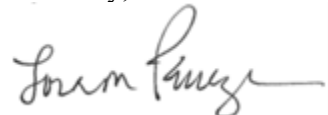
A similar approach can be taken with regard to the bulk purchase of epinephrine. In fact, the FY2018 budget included a provision for the Department of Public Health to establish a Municipal Epinephrine Bulk Purchase Trust Fund to allow municipalities and school districts to purchase epinephrine through the State Office of Pharmacy Services. The revenue for this fund would come from payments made by participating municipalities, money authorized by the legislature, and funds from public or private sources including gifts, grants, donations, rebates, and settlements received by the Commonwealth.

Should the state seek to stock schools with epinephrine, these efforts should be funded through the General Fund or through the methods established by the Municipal Epinephrine Bulk Purchase Trust Fund rather than requiring those who purchase private insurance for their families or employees to pay for it. An appropriate alternative would be to require the Department of Public Health and the Department of Elementary and Secondary Education to make reasonable efforts to obtain federal funding or reimbursement for implementation of such a legislative directive as well as inquire about free epinephrine from pharmaceutical companies. This alternative approach would not increase health care costs for employers and consumers by assessing health plans to pay for epinephrine for primary and secondary schools.

For the above reasons, we **OPPOSE House No. 590**.

Thank you for the opportunity to share our concerns. Please do not hesitate to contact me for additional information or to discuss this bill further.

Sincerely,

A handwritten signature in dark ink, appearing to read "Lora M. Pellegrini", written in a cursive style.

Lora M. Pellegrini, President and CEO
Massachusetts Association of Health Plans